

Gig Economy & the future of work



Description: As more workers forego the typical 9-5 work day for a more independence and flexibility, the Gig Economy is rapidly expanding and evolving.

Body text:

As workers forego the typical 9-to-5 work day for more independence and flexibility, the Gig Economy is rapidly expanding and evolving. Millions of freelancers, temporary workers, Airbnb hosts, Uber drivers, and the self-employed are creating a significant shift in what “work” looks like.

First, what is the Gig Economy?

The Gig Economy is a labor market characterized by the pervasiveness of contracts or freelance work instead of typical, permanent jobs. With an estimated [50 to 68 million](#) gig workers in the US, people are earning incomes in a new way.

The gig economy emerged in the aftermath of the financial crisis and gained traction as digital platforms began proliferating. Those who lost their steady jobs during the financial crisis were out looking for jobs to make ends meet—at the same time, the Internet and smartphones were blossoming and putting power in the hands of individual consumers and quickly giving rise to vast digital marketplaces.

Enterprising individuals could participate in these digital marketplaces to capitalize on their excess capacity—whether in the form of their time, their cars, or even their homes. Thus, the gig economy was born!

The gig economy's current status

Today, the gig workforce is growing 5 times faster than the US employment growth. In fact, a recent study revealed that [20–30%](#) of the US labor force is now made up of contractors and self-employed workers. And gig workers worldwide are making significant economic contributions—~\$1tn in the US in 2015 and ~£109bn in the UK in 2015.

Demographic shifts are also playing their part in fueling the gig economy. Survey upon survey shows the proclivity of millennials toward flexible work hours and “being my own boss” mind-set. The gig economy lends itself perfectly to their attitudes and thus it is not

surprising that millennials are more likely to be gig workers compared to Gen X and Baby boomers.

Tools for a remote worker

One of the biggest concerns of a gig worker is filling their project pipeline. In a [Contently survey](#), 35% of independent writers and businesses said that securing enough work was their biggest daily obstacle. In order to combat that issue, online marketplaces and apps are launching in a range of categories, assisting the gig worker to find a job in their field.

[Snagajob](#) is one of many apps created in recent years to serve the Gig Economy. Claiming [more than 80 million](#) registered hourly workers and 300,000 employer locations, Snagajob blurs the line between a job and a shift. They focus on creating instant connections so gig workers can get jobs and employers can them in minutes.

Designed by Harvard MBA students, [HourlyNerd](#) is a similar platform, connecting companies with talented business consultants. Businesses can compare consultants' profiles to those who correspond with their needs. Users can then bid on projects, creating a flexible process to find qualified contributors.

The future of the Gig Economy

For companies, as well, gig workers allow them to fill skill gaps and realize cost efficiencies such as no healthcare benefits, no minimum wage, no paid sick days and more. In fact, the Intuit to The Freelancer's Union predicts that at least [40%](#) of the workforce will be freelancers in the next few years.

[That same study](#) also estimates that by 2020, more than 40% of the American workforce, or 60 million people, will be independent workers including freelancers, contractors, and temporary employees.

And as time goes on, we will continue to shift from full-time jobs to part-time gigs, eventually leading to no full-time employees. Instead, there will be platforms and services to match workers with gigs, leading to ever-evolving teams, virtual offices, and a new way to recruit and manage talent.